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Attorneys for Public Utility District No. 1 of Douglas County, Washington

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON**

In re:

**GIGA WATT INC, a Washington
corporation,**

Debtor.

No. 18-03197-FPC11

CHAPTER 11

**DECLARATION OF DENNIS
BAKER IN SUPPORT OF
OBJECTION TO COMMITTEE'S
MOTION FOR AUTHORIZATION
TO FILE ADVERSARY
PROCEEDING AGAINST
DOUGLAS COUNTY PUD FOR
THE BENEFIT OF THE
BANKRUPTCY ESTATE**

I, DENNIS BAKER, state as follows:

1. I am the Distribution Engineering Supervisor for Public Utility District No. 1 of Douglas County, Washington (the "District"), am over the age of eighteen (18), have personal knowledge of the matters contained in this Declaration, and am competent to testify.

**DECLARATION OF DENNIS BAKER IN SUPPORT OF
OBJECTION TO COMMITTEE'S MOTION FOR
AUTHORIZATION TO FILE ADVERSARY PROCEEDING
AGAINST DOUGLAS COUNTY PUD FOR THE BENEFIT OF
THE BANKRUPTCY ESTATE- 1**

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1 2. In my position with the District I worked directly with personnel of
2 Giga Watt Inc. (“Giga Watt”) and its engineers and contractors with regard to the
3 installation of infrastructure, including a substation, to provide power to the
4 Pangborn site beginning in March of 2017, and continuing until the District
5 terminated the Interconnection and Services Agreement in October of 2018.
6

7
8 3. The District initially informed Giga Watt that it would take
9 approximately two years to build out a substation for the Pangborn site. However,
10 Giga Watt believed it could build the substation faster, and the District agreed to
11 allow Giga Watt to construct the substation.
12

13 4. It became clear as time passed that Giga Watt did not know how to
14 build a substation despite having hired engineering professionals for that purpose.
15 As a result, the District ended up providing more guidance than what had been
16 anticipated originally.
17

18 5. Additionally, there was considerable employee turnover related to the
19 development and construction of the substation which complicated the project.
20

21 6. On March 9, 2018, I participated in a meeting between Giga Watt and
22 the District which took place at the District’s offices in East Wenatchee,
23 Washington. Attending that meeting with Kristi Delozier who was new to Giga
24 Watt.
25
26

27 **DECLARATION OF DENNIS BAKER IN SUPPORT OF**
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1 7. On March 19, 2018, I sent an email to Kristi Delozier and George
2 Turner at Giga Watt in follow up to our prior meeting. That email included a
3 historical timeline and a rough schedule for moving forward. A true and correct
4 copy of my March 19, 2018 email is attached to this Declaration as Exhibit A.

5
6 8. In June of 2018, it was clear that Giga Watt was struggling with
7 construction of the substation. Giga Watt approached the District about using a
8 mobile substation to provide power to the Pangborn site.

9
10 9. It appeared that Giga Watt would be able to lease one from the
11 Snohomish PUD.

12
13 10. To prepare for a mobile substation, the District proceeded to obtain
14 bids to have a third party setup and operate the mobile substation.

15
16 11. Ultimately, I understood that Giga Watt was unable to lease the
17 mobile substation from the Snohomish PUD.

18
19 12. In August or September, 2018, the District became aware that
20 construction liens for significant amounts had been recorded against Giga Watt's
21 leasehold property.

22
23 13. In a meeting on September 4, 2018, between me and Jeff Johnson for
24 the District and George Turner for Giga Watt, Mr. Turner informed us that he
25 might be receiving another job offer and that if he did, he would likely take it. Mr.
26

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1 Turner also told us that Giga Watt did not have the funds required before the
2 District could sign a mobile substation agreement with Giga Watt.
3

4 14. At that same meeting on September 4, 2018, Mr. Turner informed us
5 that Giga Watt was “hanging on by a thread.”
6

7 15. On September 26th, 2018, The Wenatchee World Newspaper ran an
8 article, which I read, reporting that Giga Watt had laid off 57 of its 70 employees.
9 A true and correct copy of that article is attached to this Declaration as Exhibit B.
10

11 16. Generally, it takes the District 18 to 24 months (from design,
12 permitting, and bidding to completion of construction) to install a substation,
13 although that time frame can vary. The District recently completed construction of
14 a substation designated as “Lone Pine.” The Loan Pine substation took more than 4
15 years to complete and cost approximately \$3,500,000.
16

17 I DECLARE UNDER PENALTY OF PERJURY THAT THE
18 FOREGOING IS TRUE AND CORRECT.
19

20 Executed on April 27, 2020.
21

22 /s/ Dennis Baker
23 DENNIS BAKER
24
25
26

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